

**Assembly Bill No. 754**

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Passed the Assembly September 11, 2007

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*Chief Clerk of the Assembly*

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Passed the Senate September 6, 2007

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2007, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 20035.1 of the Government Code, relating to public employees, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 754, Committee on Public Employees, Retirement and Social Security. Public employees.

(1) Existing law requires the Department of Personnel Administration to provide any side letter, appendix, or other addendum to a properly ratified memorandum of understanding that requires the expenditure of \$250,000 or more related to salary and benefits and that is not already contained in the original memorandum of understanding or the Budget Act to the Joint Legislative Budget Committee. Existing law requires the Joint Legislative Budget Committee, within 30 days after receiving the side letter, appendix, or other addendum, to determine if the addendum presents substantial additions that are not reasonably within the parameters of the original memorandum of understanding and thereby requires legislative action to ratify the addendum.

This bill would approve addenda to memoranda of understanding entered into by the state employer and State Bargaining Units 1, 7, and 16 that require the expenditure of funds. The bill would approve provisions of the addenda that require the expenditure of funds. The bill would provide that those provisions shall not take effect unless the funds are specifically appropriated by the Legislature or already exist within available appropriations, and would allow the reopening of negotiations if the Legislature does not approve or fully fund any addendum included in the bill.

(2) The Public Employees' Retirement Law provides a comprehensive set of rights and benefits based upon age, service credit, and final compensation. Existing law defines final compensation variously for different member classifications and bargaining units and, in this regard, defines final compensation for a state member for the purpose of calculating retirement benefits

as the highest annual average compensation earnable by the member during a designated 12-month period.

Existing law provides that final compensation for certain patrol members, including patrol members in State Bargaining Unit 5, for specified patrol service shall be increased by 6% if the member retires or dies on or after July 1, 2007, but prior to July 1, 2008, by 4% if the member retires or dies on or after July 1, 2008, but prior to July 1, 2009, and by 2% if the member retires or dies on or after July 1, 2009, but prior to July 1, 2010.

This bill would provide that final compensation for these patrol members shall be increased by 6% if the member retires or dies on or after July 1, 2008, but prior to July 1, 2009, by 4% if the member retires or dies on or after July 1, 2009, but prior to July 1, 2010, and by 2% if the member retires or dies on or after July 1, 2010, but prior to July 1, 2011.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares that the purpose of this act is to approve addenda to memoranda of understanding entered into by the state employer and the state bargaining units that require the expenditure of funds.

SEC. 2. The provisions of the addenda to memoranda of understanding entered into by the state employer and the state bargaining units that require the expenditure of funds are hereby approved for the purposes of Section 3517.63 of the Government Code.

SEC. 3. Addenda to memoranda of understanding entered into by the state employer and the following state bargaining units are hereby approved:

(a) State Bargaining Unit 1, addendum dated September 15, 2006, effective January 1, 2007.

(b) State Bargaining Unit 7, addendum dated March 8, 2007, effective December 18, 2006.

(c) State Bargaining Unit 16, addendum dated May 3, 2007, effective April 1, 2007; and addendum dated May 8, 2007, effective April 1, 2007.

SEC. 4. The provisions of the addenda to memoranda of understanding approved by Sections 2 and 3 of this act and that require the expenditure of funds shall not take effect unless funds for these provisions are specifically appropriated by the Legislature or already exist within available appropriations. If the Legislature does not approve or fully fund any addendum included in this act, either party may reopen negotiations on all or part of the addendum.

SEC. 5. Section 20035.1 of the Government Code is amended to read:

20035.1. For patrol members in State Bargaining Unit 5, patrol members excepted from the definition of “state employee” in subdivision (c) of Section 3513, and patrol members who are officers or employees of the executive branch of state government who are not members of the civil service, the member’s final compensation shall be increased as follows:

(a) For a member who retires or dies on or after July 1, 2001, and prior to July 1, 2004, the member’s final compensation for patrol service subject to Section 21362.2 shall be increased by one-half of the normal rate of contribution specified in subdivision (a) of Section 20681.

(b) For a member who retires or dies on or after July 1, 2004, and prior to July 1, 2008, the member’s final compensation for patrol service subject to Section 21362.2 shall be increased by the normal rate of contribution specified in subdivision (a) of Section 20681.

(c) For a member who retires or dies on or after July 1, 2008, and prior to July 1, 2009, the member’s final compensation for patrol service subject to Section 21362.2 shall be increased by three-fourths of the normal rate of contribution specified in subdivision (a) of Section 20681.

(d) For a member who retires or dies on or after July 1, 2009, and prior to July 1, 2010, the member’s final compensation for patrol service subject to Section 21362.2 shall be increased by one-half of the normal rate of contribution specified in subdivision (a) of Section 20681.

(e) For a member who retires or dies on or after July 1, 2010, and prior to July 1, 2011, the member’s final compensation for patrol service subject to Section 21362.2 shall be increased by one-fourth of the normal rate of contribution specified in subdivision (a) of Section 20681.

(f) This section shall remain in effect only until July 1, 2011, and as of January 1, 2012, is repealed, unless a later enacted statute, that is enacted before January 1, 2012, deletes or extends that date.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the provisions of this act to be applicable as soon as possible in the 2007–08 fiscal year, and thereby facilitate the orderly administration of state government at the earliest possible time, it is necessary that this act take effect immediately.





Approved \_\_\_\_\_, 2007

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*Governor*